HON'BLE Dr. JUSTICE G. YETHIRAJULU

W.P.No.23134 of 1995

Dated this the 19th day of December, 2007

Between:

M/s. Cheminor Drugs Limited … Petitioner

AND

The State of A.P., rep.by its Secretary
to Government, Energy & Forests (PR-III)
Department Secretariat, Hyderabad
and 3 others … Respondents

HON'BLE Dr. JUSTICE G. YETHIRAJULU

W.P.No.23134 of 1995

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ORDER:

This Writ Petition has been filed by the petitioner seeking to declare that the impugned proceedings dated 20.09.1995 issued by the fourth respondent requiring the petitioner to arrange payment of Rs.15,31,963.92 paise within 14 days from the date of the proceedings as illegal, arbitrary and without jurisdiction.

2) The petitioner company has started M.S. imports manufacturing unit at Pydi Bheemavaram, Srikakulam District in the year 1991. As per the policy of the Government, the industrial units established in Srikakulam District are entitled to 25% rebate in the power bills from the date of commencement of industrial production. The petitioner alleged to have started production on 17.09.1991 with D.G. Sets since the power supply was not made available by that date. Ultimately, the power supply was made available on 22.07.1992

and the commercial production started by using the electricity with effect from 22.07.1992. The Superintending Engineer (Operations), Srikakulam sought for clarification from the Andhra Pradesh State Electricity Board and the Electricity Board issued a clarification on 15.01.1993 informing the Superintending Engineer that the rebate is allowable from the date of going into production under B.P. Ms.No.152, dated 13.02.1978. It is clarified that normally the date of release of supply is to be reckoned as date of going into production and as per the DM-DIC certificate, the date of commencement of rebate is from 17.09.1991. The date of release of supply is from 22.07.1992 and the date of going into regular production is from 23.07.1992. The Superintending Engineer was further informed that the question of reckoning the date of commencement of the unit from 1709-1991 does not arise in this case. The date of release of supply i.e., 22.07.1992 should be adopted. Without taking note of the clarification given by the A.P.S.E.B., the Senior Accounts Officer (Operation), Andhra Pradesh State Electricity Board, Srikakulam issued the impugned proceedings observing that the petitioner is liable to refund the amount of Rs.15,31,963.92 paise availed towards 25% rebate from 17.09.1994 to 21.07.1995 by contending that he is not entitled for the rebate of 25% in the power bills.

3) After going through the entire record, I am convinced that it is clarified by the Electricity Board that the petitioner is entitled to the rebate from 22.07.1992 for a period of three years. Therefore, he is not liable to reimburse the amount availed by way of 25% rebate during that period.

4) Accordingly, the writ petition is allowed declaring that the impugned proceedings dated 20.09.1995 issued by the fourth

respondent is illegal and arbitrary and the petitioner is not liable to pay any amount as he is entitled to the rebate during the said period. No order as to costs.

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Dr.G. YETHIRAJULU, J

Date: 19.12.2007
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